



Chairman: David Vaught
Members: Ed Bedore, Ricardo Morales, Larry Ivory, Bill Black

July 1, 2013

Bill Grunloh
Chief Procurement Officer
Illinois Department of Transportation
Executive Ethics Commission
2300 S. Dirksen Pkwy
Room 200
Springfield, Illinois 62764

Re: 50-35 Potential Conflict of Interest, from the June 14, 2013 Letting

Dear Mr. Bill Grunloh,

In accordance with the requirements of Section 50-35 of the Illinois Procurement Code, I have reviewed your request received June 28, 2013 and understand the facts to be as follows:

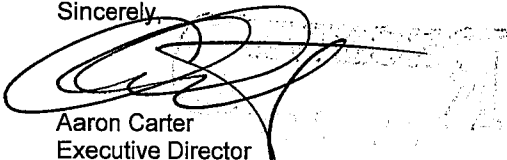
- 1) The Illinois Department of Transportation has issued a request for a review and comment on potential conflicts of interest disclosed by Alliance Contractors, Inc.
- 2) The contract pertains to the contract for construction and related services in Lake County.
- 3) Alliance Contractors, Inc. was selected using Competitive Sealed Bid, Contractor, and Sub-contractor agreement.
- 4) The disclosure form submitted on behalf of Alliance Contractors, Inc. indicates the following:
 - a. Charles W. Ruth, President of Alliance Contractors, Inc. has disclosed he was recently a Coral Township Precinct Committeeman, and the term ended February 2, 2010. He did not earn an income in excess of 60% of the Governor's salary and was not in a position to influence the competitively sealed bidding process.
 - b. Charles Ruth's son was a Grafton Township Precinct Committeeman and that term also ended February 2, 2010. He did not earn an income in excess of 60% of the Governor's salary and was not in a position to influence the competitively sealed bidding process.
 - c. Helen Ruth has also disclosed the above mentioned potential conflicts for her husband and son.
- 5) The Illinois Department of Transportation confirmed that none of the disclosed individuals were in a position to influence the award of this contract. The Illinois Department of Transportation and CPO Bill Grunloh indicate that it would be in the best interest of the State to approve this conflict of interest due to the using agency's needs and the value of the contract.

Based on the foregoing, you are requesting my review and comment pursuant to the Illinois Procurement Code.

Review and Comment

After careful review of the documentation provided, I do not view the relationships disclosed above as creating a conflict of interest sufficient to preclude the Illinois Department of Transportation from entering into a contract with Alliance Contractors, Inc. for the services outlined in your letter received June 28, 2013.

Sincerely,



Aaron Carter
Executive Director

Cc: EEC General Counsel



CHIEF PROCUREMENT OFFICE

Bill Grunloh, Department of Transportation - Highway Construction

June 28, 2013

Procurement Policy Board
222 South College Street, Suite 231
Springfield, IL 62704

RE: Conflict of Interest Disclosure for Alliance Contractors, Inc., lowest responsible and responsive bidder for Item 35 from the June 14, 2013 letting

Mr. Carter,

Attached is a supplemental potential conflict of interest form for Alliance Contractors, Inc., the lowest responsible bidder who was responsive for one construction contract advertised on the June 14, 2013 letting by the Department of Transportation. Item 35 consists of construction related services in Lake County, and includes: Bridge deck overlay, bridge joint repairs and other improvements on the structures carrying US 12/IL 59 over IL 176 (S.N.049-0022, 0023) in Wauconda.

Charles W. Ruth, President of Alliance Contractors, Inc., has disclosed he was recently a Coral Township Precinct Committeeman, and that term ended February 2, 2010. He did not earn an income in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process. Mr. Ruth has also disclosed his son was a Grafton Township Precinct Committeeman, and that term also ended February 2, 2010. His son also did not earn an income in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process. Helen Ruth of Alliance Contractors, Inc., has also disclosed her husband Charles was recently a Coral Township Precinct Committeeman, and that term ended February 2, 2010. He did not earn an income in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process. Mrs. Ruth has also disclosed her son was a Grafton Township Precinct Committeeman, and that term also ended February 2, 2010. Her son also did not earn an income in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process.

A copy of a prior approval for Alliance by the Procurement Policy Board is also enclosed for your review.

This conflict has been reviewed by our office, and it has been determined this is not an actual conflict and will not interfere in the execution of this contract.

If you have any questions concerning this request, please Jim Layden of the Bureau of Design and Environment, Plans and Contracts Unit, at 217-782-7806.

Sincerely,

Gretchen Tucka,
State Purchasing Officer

Enclosures

STATE OF ILLINOIS
PROCUREMENT POLICY BOARD
CONFLICT OF INTEREST REVIEW
CHECKLIST

Please ensure that the following documents are included with your request:

- ☒ Cover letter with overview of the potential Conflict of Interest
- ☒ Conflict of Interest Review Request Form
- ☒ Copy of Proposed Contract*
- ☒ Any Prequalification Information Submitted by the Vendor
- ☒ Prior Procurement Policy Board/Office of the Governor Conflict of Interest Review Letter for this Vendor
- ☒ Copy of the Disclosure/Certification Documents Submitted by the Vendor

*may be the proposed contract sent in with a RFP response, a copy of the solicitation response, etc.

Please scan original documents** with signatures and email to:

aaron.carter@illinois.gov
cc: deanna.rossetto@illinois.gov

If you are unable to scan and email the original signed documents, please send to:

Procurement Policy Board
222 South College Street, Suite 231
Springfield, IL 62704

**If you scan and email the original documents, please do not send the original documents to our office. Please keep the documents in your procurement file.

CONFLICT OF INTEREST REVIEW REQUEST FORM

The following information must be filled in as accurately and completely as possible. This form will be sent to the Procurement Policy Board providing essential information needed to review and determine if an actual conflict of interest exists, which is sufficient to preclude the State from entering into the attached proposed contract pursuant to section 50-35(d) of the Illinois Procurement Code.

CONTRACTING AGENCY INFORMATION

Using Agency: Department of Transportation
Address: 2300 S. Dirksen Parkway City/State: Springfield, IL
Contact Person: Jim Layden Title: Acting Chief Contracts Official
Phone: 217.782.7806 Fax: 217.785.1141
Email: Jim.Layden@illinois.gov

VENDOR INFORMATION FOR VENDOR WITH POTENTIAL CONFLICT

This Vendor is: ☒ Prime Vendor ☐ Sub-contractor
Name of Vendor: Alliance Contractors, Inc.
Address: 1166 Lake Avenue City/State: Woodstock, IL
Contact Person: Charles W. Ruth Title: President
Phone: 815.338.5900 Fax: 815.338.9109
Email: alliance@alliancecontractors.com
Procurement Bulletin Reference Number: Letting Item 35 Date Posted to Bulletin: 5/10/2013

CONTRACT INFORMATION

Describe the need for this procurement or proposed contract: Item 35 consists of construction related services in Lake County, and includes: Bridge deck overlay, bridge joint repairs and other improvements on the structures carrying US 12/IL 59 over IL 176 (S.N.049-0022, 0023) in Wauconda.

Total Contract Amount (Estimate if actual is unknown): \$ 342,332.55
Contract Begin Date: Upon Authorization to Proceed is received. Department has 45 days from Letting Date to award the bid. Contract End Date: 25 Working Days
Describe any Renewal Options (i.e. One 2-year Option): No

PROCUREMENT PROCESS

What was the method of procurement used to select this vendor? Competitive Sealed Bidding
If this vendor was selected using a competitive process, how many vendors responded to the bid? 3 total
Were any vendors disqualified? NO If yes, please explain why.
If a multiple award, how many vendors were awarded a contract? Not multiple award
Were there any instances of low vendor rejections? No If yes, please explain why.

EXPLANATION OF POTENTIAL CONFLICTS OF INTEREST

For each individual identified as causing a potential conflict of interest, include the following information: name, relationship (if applicable), Agency of State employment, start date, job title and responsibilities. Indicate if any of the named individuals earn more than \$106,447.20 and explain the potential conflict of interest.

Charles W. Ruth, President of Alliance Contractors, Inc., has disclosed he was recently a Coral Township Precinct Committeeman, and that term ended February 2, 2010. Mr. Ruth has also disclosed his son was a Grafton Township Precinct Committeeman, and that term also ended February 2, 2010. He did not earn an income/compensation in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process. His son also did not earn an income/compensation in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process. Helen Ruth of Alliance Contractors, Inc., has also disclosed her Husband Charles was recently a Coral Township Precinct Committeeman, and that term ended February 2, 2010. Mrs. Ruth has also disclosed her son was a Grafton Township Precinct Committeeman, and that term also ended February 2, 2010. He did not earn an income/compensation in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process. Her son also did not earn an income/compensation in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process.

If a prime vendor, did they disclose their use of lobbyists? ☐ Yes ☒ No
If yes, did the lobbyists lobby on behalf of the vendor to secure this contract? ☐ Yes ☐ No

PROVIDE A WRITTEN STATEMENT SIGNED BY THE AGENCY REPRESENTATIVE FOR YOUR AGENCY STATING:

1. Is the conflict an actual conflict and whether or not any of the above named individual(s) were in a position to influence the State's award of this contract.

The conflicts disclosed by Mr. and Mrs. Ruth are potential and not actual. The positions held by the aforementioned individuals do not interfere with the competitive sealed bidding process.

2. Why is it in the best interest of the State to proceed with this contract.

This is for state route maintenance and repair, central to the Department's mission of providing safe travel for the motoring public.

AGENCY/UNIVERSITY REPRESENTATIVE SIGNATURE



Agency/University Representative Signature

Michael Layden

Agency/University Representative Printed Name

6/28/2013

Date

217.782.7806

Agency/University Representative Telephone

jim.layden@illinois.gov

Agency/University Representative Email Address

CPO SIGNATURE REQUIRED



CPO Signature

Bill Grunloh

CPO Printed Name

6/28/2013

Date

217.558.5434

CPO Telephone Number

bill.grunloh@illinois.gov

CPO Email Address